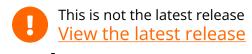


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Labour Account Australia

The Australian Labour Account provides quarterly and annual time series data, consisting of four quadrants: Jobs, Persons, Hours and Payments

Reference period September 2020

Released 9/12/2020

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Key statistics

In seasonally adjusted terms for the September quarter 2020:

- Total jobs increased by 303,400 (2.2%).
- The number of people working multiple jobs increased by 17.5%.
- Secondary jobs increased by 135,700 (16.9%).
- Hours worked increased by 4.5%.
- Employed persons increased by 0.9% to 12.9 million.

		Seasonally Adjusted	
	Jun qtr 2020 to Sep qtr 2020 % change	Sep qtr 2019 to Sep qtr 2020 % change	
Total Jobs	2.2	-4.0	
Filled Jobs	1.7	-4.0	
Main Jobs	0.7	-4.1	
Secondary Jobs	16.9	-2.0	
Job Vacancies	56.7	-7.8	
Hours Actually Worked	4.5	-6.7	
Average Hours Actually Worked Per Job	2.8	-2.9	
Average Income Per Employed Person	1.7	8.1	

Data impacts and changes

Including JobKeeper payments in the Labour Account

As flagged in the June quarter 2020 issue of the Labour Account publication, the ABS has reviewed the conceptual treatment of employment subsidies in "other related costs to employers" in the payments quadrant of the Labour Account. Within the Australian conceptual framework for employee remuneration, employment subsidies are considered to be a negative cost to employers.

As a result of the conceptual review, the ABS has refined the definition of employment subsidies in the Labour Account to now be:

"Employment subsidies are payments made by government, typically to employers. They may be based on the size of the total workforce, the employment of particular types of persons such as physically handicapped persons or persons who have been unemployed for long periods. These subsidies may also be intended to cover some or all of the costs of training schemes organised or financed by employers."

Consistent with the revised conceptual definition, estimates of employment subsidies and labour costs have been reinstated with the September quarter 2020 issue of the Labour Account publication. This includes the publication of labour cost measures for the June quarter 2020 and the 2019-2020 annual data.

Revisions and changes

Data in the four quadrants of the Labour Account, both quarterly and annual, have been revised from the previously published estimates.

Revisions may be attributable to a range of factors, including:

- Revisions to quarterly source data, including:
 - i. revisions to data from the Labour Force Survey,
 - ii. revisions to Overseas Arrivals and Departures data,
 - iii. revisions to data from the quarterly Australian National Accounts, and
- Commencing in the June quarter 2020, the seasonal adjustment method for the majority
 of series in the Labour account changed from concurrent seasonal adjustment to the
 forward factors method. The "Other related costs to employers" series continues to use
 the concurrent seasonal adjustment method. Due to the impacts of COVID-19 on the
 economy, trend estimates for all series in the Labour Account have been temporarily
 suspended.

To see the impact of these updates, refer to Table 22. Quarterly revisions data cube in the Data downloads section.

Jobs

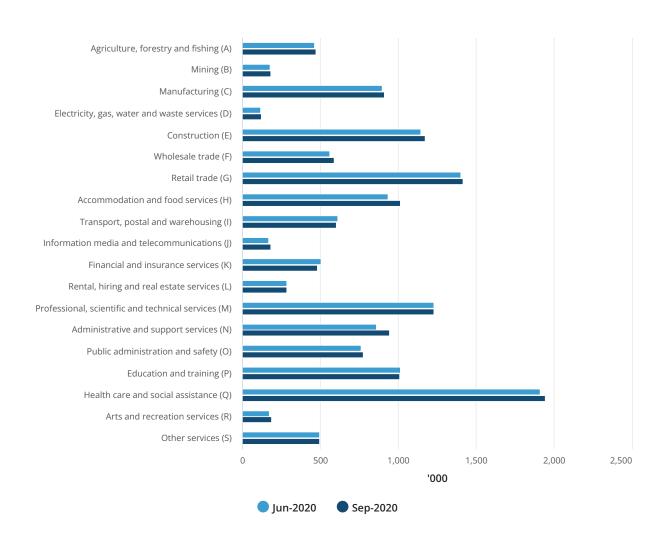
In seasonally adjusted terms for the September quarter 2020:

- Filled jobs increased by 1.7%, following a 6.3% fall in the June quarter 2020. Filled jobs fell 4.0% through the year.
- The number of main jobs increased by 92,900 (or 0.7%).
- The number of multiple job holders increased by 17.5%.
- The proportion of vacant jobs increased to 1.5%, following the recent low of 1.0% in the June quarter 2020.
- The number of public sector jobs increased by 0.1%, while the number of private sector jobs increased by 2.1%.

Total jobs

In seasonally adjusted terms for the September quarter 2020 the total number of jobs increased by 303,400 (or 2.2%), made up of an increase of 74,800 job vacancies and an increase of 228,700 filled jobs.

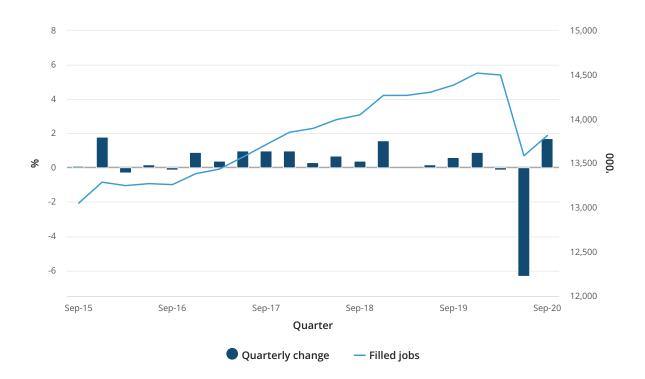
Total jobs, by industry, Jun qtr 2020 and Sep qtr 2020, seasonally adjusted



Filled jobs

In seasonally adjusted terms for the September quarter 2020 the number of filled jobs increased by 228,700 to 13.8 million.

Filled jobs, Australia, seasonally adjusted



Filled jobs, proportion by industry, Sep qtr 2020, seasonally adjusted

	Filled Jobs Sep qtr 2020	Proportion of Total All Industries Sep qtr 2020	
	('000)	(%)	
Agriculture, forestry and fishing (A)	467.8	3.4	
Mining (B)	178.5	1.3	
Manufacturing (C)	896.8	6.5	
Electricity, gas, water and waste services (D)	120.7	0.9	
Construction (E)	1,158.6	8.4	
Wholesale trade (F)	579.2	4.2	
Retail trade (G)	1,396.5	10.1	
Accommodation and food services (H)	1,001.4	7.2	
Transport, postal and warehousing (I)	597.8	4.3	
Information media and telecommunications (J)	178.4	1.3	
Financial and insurance services (K)	469.8	3.4	
Rental, hiring and real estate services (L)	282.6	2.0	
Professional, scientific and technical services (M)	1,206.4	8.7	
Administrative and support services (N)	921.1	6.7	
Public administration and safety (O)	760.7	5.5	
Education and training (P)	1,004.9	7.3	
Health care and social assistance (Q)	1,918.3	13.9	
Arts and recreation services (R)	188.0	1.4	
Other services (S)	487.8	3.5	
Total All Industries	13,815.4	100.0	

Filled jobs, percentage change by industry, Sep qtr 2020, seasonally adjusted

	Jun qtr 2020 to Sep qtr	Sep qtr 2019 to Sep qtr	
	2020	2020	
	% change	% change	
Agriculture, forestry and fishing (A)	1.1	-0.9	
Mining (B)	2.0	-5.0	
Manufacturing (C)	0.6	-1.0	
Electricity, gas water and waste services (D)	3.9	-4.7	
Construction (E)	2.2	-1.9	
Wholesale trade (F)	4.8	-1.8	
Retail trade (G)	0.7	1.7	
Accommodation and food services (H)	7.6	-12.3	
Transport, postal and warehousing (I)	-2.1	-12.9	
Information media and telecommunications (J)	7.2	-2.7	
Financial and insurance services (K)	-5.2	3.9	
Rental, hiring and real estate services (L)	-1.2	-4.8	
Professional, scientific and technical services (M)	-0.5	-2.9	
Administrative and support services (N)	9.3	-7.0	
Public administration and safety (O)	0.8	-1.4	
Education and training (P)	-0.7	-9.0	
Health care and social assistance (Q)	1.4	3.0	
Arts and recreation services (R)	9.2	-22.8	
Other services (S)	-1.1	-15.2	
Total All Industries	1.7	-4.0	

Secondary jobs

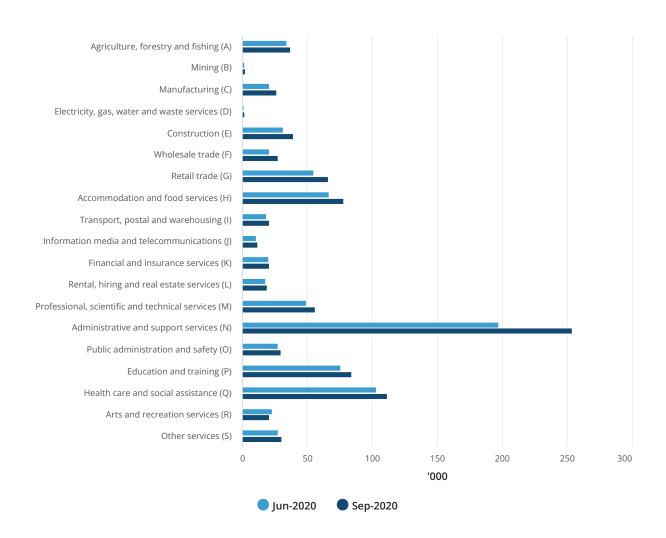
Secondary jobs are where a person is working more than one job at the same time, and may consist of one or more additional jobs. These jobs can be held by persons who have their main job in the same or a different industry.

In seasonally adjusted terms for the September quarter 2020:

- Secondary jobs increased by 135,700 (or 16.9%).
- The proportion of secondary jobs to filled jobs was 6.8% compared to 5.9% in the previous quarter.

The three industries with the highest number of secondary jobs were Administrative and support services, Health care and social assistance and Education and training.

Secondary jobs, by industry, Jun qtr 2020 and Sep qtr 2020, seasonally adjusted

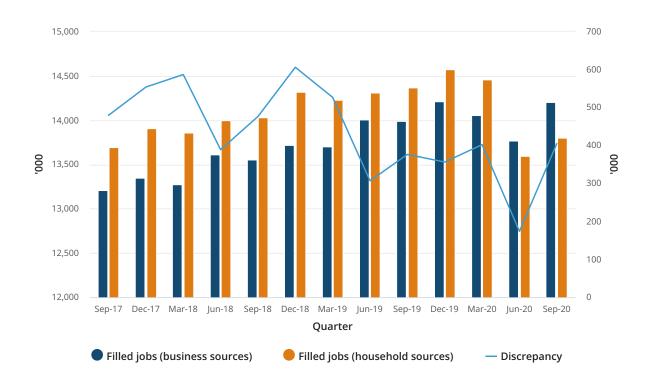


Statistical discrepancy - Filled jobs

The Labour Account compiles independent estimates of the number of filled jobs from both a household and business perspective. The difference between these two estimates is referred to as the "statistical discrepancy". This discrepancy is reduced to zero through the balancing processes of the Labour Account, through producing a single harmonised or "balanced" number of filled jobs for each industry and the total economy.

In original terms the discrepancy between household sources and business sources was 405,000 jobs, or 2.9% of the household estimate, in the September quarter 2020.

Filled jobs discrepancy, Sep qtr 2017 to Sep qtr 2020, original



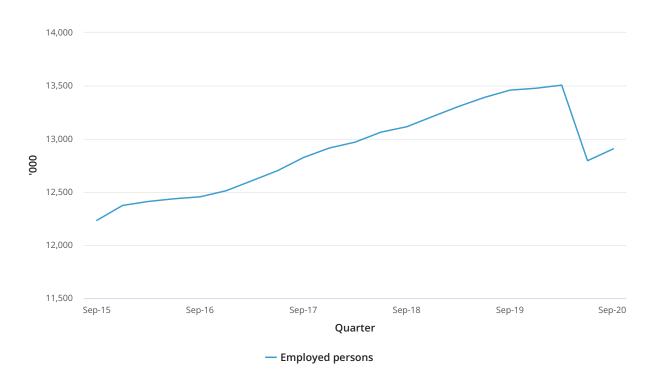
Balancing decisions for Agriculture, forestry and fishing; Mining; Manufacturing; Electricity, gas, water and waste services; Construction; Wholesale trade; Retail trade; Accommodation and food services; Transport, postal and warehousing; Information media and telecommunications; Financial and insurance services; Professional, scientific and technical services; Administrative and support services; Public administration and safety; Education and training; Health care and social assistance; Arts and recreation services were mostly business survey sources. Balancing decisions for Rental, hiring and real estate services and Other services were mostly household survey sources.

Persons

In seasonally adjusted terms for the September quarter 2020:

- The total number of employed persons increased by 0.9% to 12.9 million.
- There were 953,300 unemployed persons, a decrease of 37,500 persons from June quarter 2020.
- There were 1,506,400 underemployed persons, a decrease of 191,600 persons from June quarter 2020.

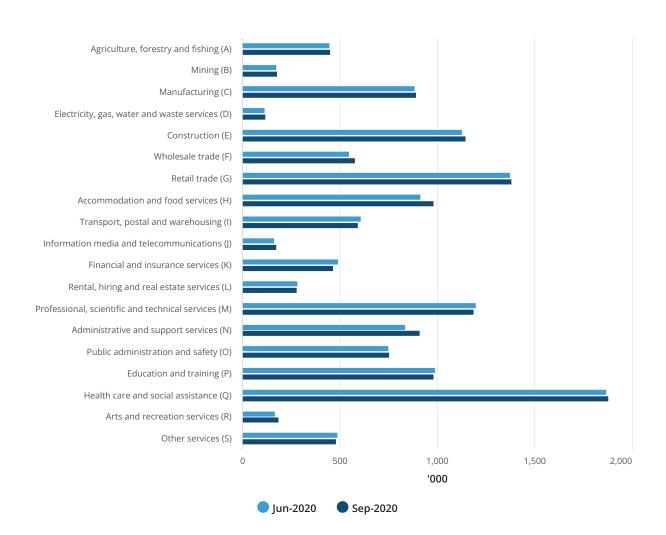
Employed persons, Australia, seasonally adjusted



The Australian Labour Account produces the number of people employed from an industry perspective. As a result, the sum of employed persons in the Australian Labour Account across industry divisions does not equal the total number of people employed in the whole economy, given some people are employed in multiple industries.

The three industries with the highest number of employed persons in the September quarter 2020 were Health care and social assistance, Retail trade and Professional, scientific and technical services.

Employed persons, by industry, Jun qtr 2020 and Sep qtr 2020, seasonally



Hours

Hours actually worked is the time spent in a job for the performance of activities that contribute to the production of goods and services during a specified short or long reference period.

In seasonally adjusted terms for the September quarter 2020 the total number of hours

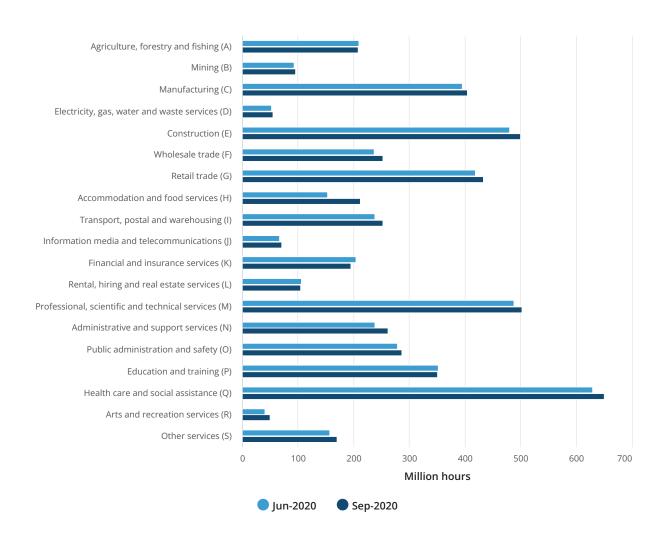
actually worked increased by 217.1 million hours (or 4.5%) to 5.1 billion hours.

Hours actually worked, Australia, seasonally adjusted



The three industries with the highest number of hours actually worked in the September quarter 2020 were Health care and social assistance, Professional, scientific and technical services and Construction.

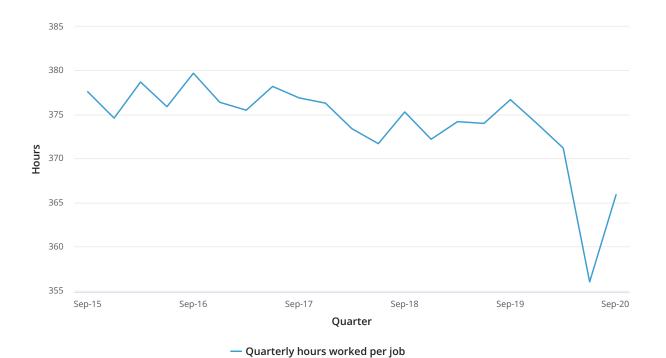
Hours actually worked, by industry, Jun qtr 2020 and Sep qtr 2020, seasonally adjusted



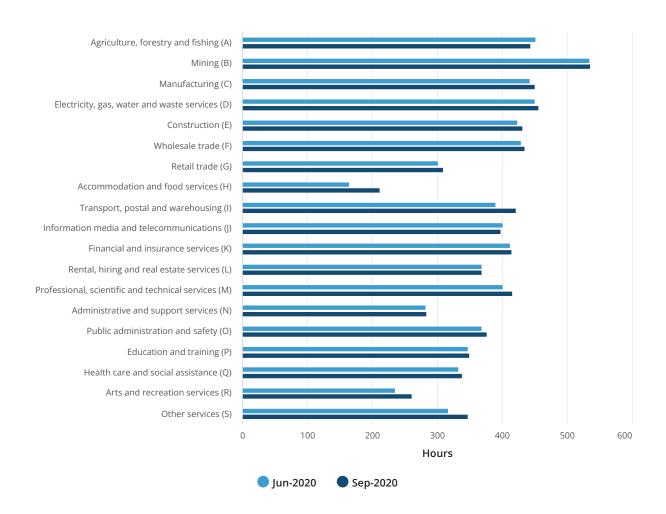
Average hours worked per job is the hours actually worked divided by all filled jobs.

In seasonally adjusted terms for the September quarter 2020 average hours worked per job increased by 2.8% to 366 hours.

Quarterly hours worked per job, Australia, seasonally adjusted



Quarterly hours worked per job, by industry, Jun qtr 2020 and Sep qtr 2020, seasonally adjusted



Payments

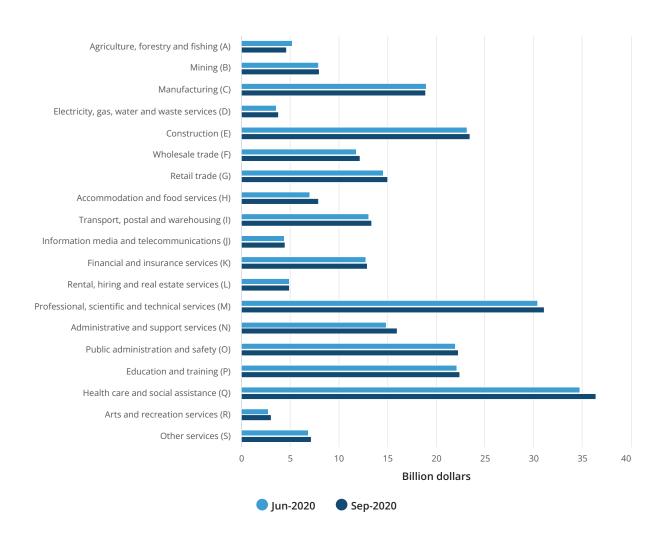
The Labour Account Payments quadrant presents the costs incurred by enterprises in employing labour, and the incomes received by people from its provision. Total income consists of compensation of employees and labour income from self-employment. The addition of other related costs to employers to total income will derive total labour costs.

In seasonally adjusted terms for the September quarter 2020:

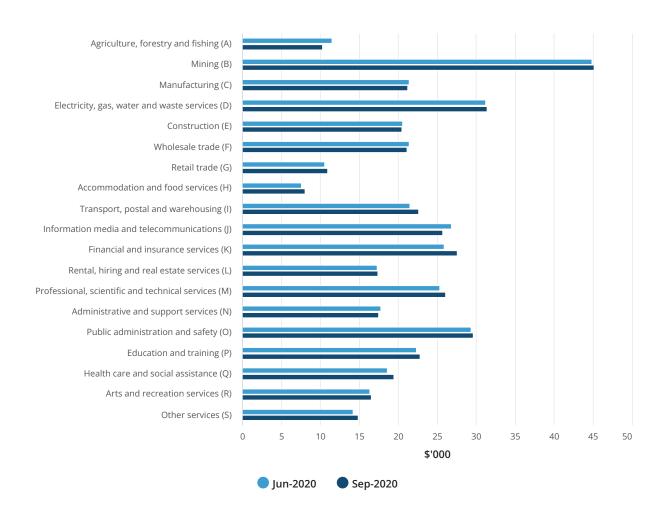
- Total labour income increased by \$6,875 million (or 2.6%) to \$268,288 million.
- The average labour income per employed person increased by 1.7% to \$20,787.
- Total compensation of employees increased by 2.2% to \$240,384 million
- Labour income from self-employment increased by 6.2% to \$27,905 million.
- Total labour costs increased by \$8,094 million (3.4%) to \$247,500 million.

The three industries with the highest total labour income in the September quarter 2020 were Health care and social assistance, Professional, scientific and technical services and Construction.

Total labour income, by industry, Jun qtr 2020 and Sep qtr 2020, seasonally adjusted



Average income per employed person, by industry, Jun qtr 2020 and Sep qtr 2020, seasonally adjusted



Assessing the impact of COVID-19 and data limitations on the Labour Account

The Labour Account is made up of a variety of data sources that comprise the Labour Account Framework. The decision about each data source was made based on the quality and accuracy of the data when the Labour Account Framework was first established in 2017, and no changes to the use of data sources have been required over recent years.

However, the extent of change in the labour market during the COVID-19 period has highlighted some inherent limitations in the use of some data sources in the Labour Account.

Data users should pay particular attention to the following elements of the data, which the ABS is continuing to undertake additional analysis and development work on:

- 1. Accounting for the secondary jobs of multiple job holders. This has been based on information from the Linked Employer Employee Dataset (LEED) to determine the industry allocation of multiple job holders. Information from the LEED is currently based on data from 2017-18, and may not fully reflect the extent of change in industry distribution which has occurred as a result of COVID-19. The ABS is investigating whether information from the Single Touch Payroll can provide more contemporary and sufficiently comprehensive information, without causing significant disruption to the time series.
- 2. Accounting for non-residents who are in Australia on a short term basis. This has been based on a combination of Net Overseas Migration and Overseas Arrivals and Departures information, to measure the non-residents who have been in Australia for less than 12 months. These people are out of the scope of the Estimated Resident Population and Labour Force statistics, but are included in the Labour Account (given their production is included in the National Accounts). The Labour Account estimates the number of people based on the flows of people into and out of Australia from the most recent four quarters of Overseas Arrivals and Departures, considered against changes in Net Overseas Migration (which is used to determine changes in the Estimated Resident Population). The June quarter saw a large reduction in arrivals and departures as a result of the impact of COVID-19, and this low level of arrivals continued in the September quarter. The relatively short time period of reduced arrivals meant that an adjustment to the method was not required. This will be reviewed further for future quarters.

In addition to modelling the size of the non-resident short term population, the Labour Account also models their employment, jobs and hours. The ABS will continue to monitor the assumptions underpinning the model, such as the employment-to-population ratio of the population, compared to other groups (especially recent migrants from similar age cohorts). Given the relatively small size of the population, contemporary survey estimates covering the COVID-19 period are subject to relatively high sampling variability and are being used with caution in the model.

For further information on the data sources and methods used in the Labour Account, see the <u>Concepts Sources and Methods (https://www.abs.gov.au/AUSSTATS/abs@.nsf/Lookup/6150.0Main+Features1July%202017?OpenDocument)</u>.

Further information about the impact of COVID-19 on Labour Account estimates is available from the <u>June quarter issue (/statistics/labour/employment-and-unemployment/labour-account-australia/jun-2020#assessing-the-impact-of-covid-19-on-the-labour-account)</u>.

Data downloads

Table 1. Total all industries - trend, seasonally adjusted and original

<u> → Download XLS</u>

[2.73 MB]

Table 2. Agriculture, forestry and fishing (A) - trend, seasonally adjusted and original

<u> ▶ Download XLS</u>

[2.59 MB]

Table 3. Mining (B) - trend, seasonally adjusted and original

↓ Download XLS

[2.59 MB]

Table 4. Manufacturing (C) - trend, seasonally adjusted and original

▶ Download XLS

[2.59 MB]

Table 5. Electricity, gas, water and waste services (D) - trend, seasonally adjusted and original

[2.62 MB]

Table 6. Construction (E) - trend, seasonally adjusted and original

<u> ▶</u> Download XLS

[2.59 MB]

Table 7. Wholesale trade (F) - trend, seasonally adjusted and original

<u> → Download XLS</u>

[2.59 MB]

Table 8. Retail trade (G) - trend, seasonally adjusted and original

<u> ▶ Download XLS</u>

[2.59 MB]

Table 9. Accommodation and food services (H) - trend, seasonally adjusted and original

▶ Download XLS

[2.59 MB]

Table 10. Transport, postal and warehousing (I) - trend, seasonally adjusted and original

▶ Download XLS

[2.59 MB]

Table 11. Information media and telecommunications (J) - trend, seasonally adjusted and original

[2.59 MB]

Table 12. Financial and insurance services (K) - trend, seasonally adjusted and original

<u> → Download XLS</u>

[2.62 MB]

Table 13. Rental, hiring and real estate services (L) - trend, seasonally adjusted and original

↓ Download XLS

[2.59 MB]

Table 14. Professional, scientific and technical services (M) - trend, seasonally adjusted and original

[2.59 MB]

Table 15. Administrative and support services (N) - trend, seasonally adjusted and original

▶ Download XLS

[2.59 MB]

Table 16. Public administration and safety (O) - trend, seasonally adjusted and original

▶ Download XLS

[2.62 MB]

Table 17. Education and training (P) - trend, seasonally adjusted and original

▶ Download XLS

[2.59 MB]

Table 18. Health care and social assistance (Q) - trend, seasonally adjusted and original

[2.59 MB]

Table 19. Arts and recreation services (R) - trend, seasonally adjusted and original

<u> → Download XLS</u>

[2.59 MB]

Table 20. Other services (S) - trend, seasonally adjusted and original

↓ Download XLS

[2.59 MB]

Table 21. Unbalanced: total all industries - original

[183.5 KB]

Table 22. Quarterly revisions

▶ Download XLS

[11.1 MB]

All data cubes

↓ Download ZIP

[11.43 MB]

ABS.Stat datasets

Help for: ABS.Stat Datasets (https://www.abs.gov.au/websitedbs/D3310114.nsf/home/ABSstat+User+Assistance+Material)

<u>Labour Account Australia, Annual Balanced: Subdivision, Division and Total All Industries</u>
(http://stat.data.abs.gov.au/Index.aspx?DataSetCode=ABS_LABOUR_ACCT)

<u>Labour Account Australia, Annual Unbalanced: Total All Industries</u>
(http://stat.data.abs.gov.au/Index.aspx?DataSetCode=ABS_LBR_ACCT_UNBAL)

Previous catalogue number

This release previously used catalogue number 6150.0.55.003.

Methodology

<u>Labour Account Australia methodology, September 2020</u>